

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

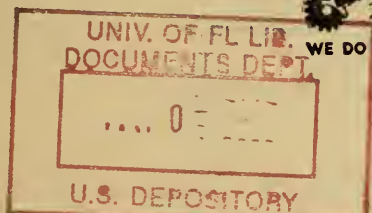
FOR THE

NOTTINGHAM
LACE CURTAIN INDUSTRY

AS APPROVED ON NOVEMBER 1, 1933

BY

PRESIDENT ROOSEVELT



1. Executive Order
2. Letter of Transmittal
3. Code

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933

This publication is for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C., and by district offices of the Bureau of Foreign and Domestic Commerce.

DISTRICT OFFICES OF THE DEPARTMENT OF COMMERCE

Atlanta, Ga.: 504 Post Office Building.
Birmingham, Ala.: 257 Federal Building.
Boston, Mass.: 1801 Customhouse.
Buffalo, N.Y.: Chamber of Commerce Building.
Charleston, S.C.: Chamber of Commerce Building.
Chicago, Ill.: Suite 1706, 201 North Wells Street.
Cleveland, Ohio: Chamber of Commerce.
Dallas, Tex.: Chamber of Commerce Building.
Detroit, Mich.: 2213 First National Bank Building.
Houston, Tex.: Chamber of Commerce Building.
Indianapolis, Ind.: Chamber of Commerce Building.
Jacksonville, Fla.: Chamber of Commerce Building.
Kansas City, Mo.: 1028 Baltimore Avenue.
Los Angeles, Calif.: 1163 South Broadway.
Louisville, Ky.: 408 Federal Building.
Memphis, Tenn.: 229 Federal Building.
Minneapolis, Minn.: 213 Federal Building.
New Orleans, La.: Room 225-A, Customhouse.
New York, N.Y.: 734 Customhouse.
Norfolk, Va.: 406 East Plume Street.
Philadelphia, Pa.: 933 Commercial Trust Building.
Pittsburgh, Pa.: Chamber of Commerce Building.
Portland, Oreg.: 215 New Post Office Building.
St. Louis, Mo.: 506 Olive Street.
San Francisco, Calif.: 310 Customhouse.
Seattle, Wash.: 809 Federal Building.

EXECUTIVE ORDER

CODE OF FAIR COMPETITION FOR THE NOTTINGHAM LACE CURTAIN INDUSTRY

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16th, 1933, for my approval of a Code of Fair Competition for the Nottingham Lace Curtain Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said code of fair competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said code of fair competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16th, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said code of fair competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,

November 1, 1933.

Approval recommended:

HUGH S. JOHNSON,

Administrator.

(III)

To the PRESIDENT:

INTRODUCTION

Submitted herewith is the report of the Hearing on the Code of Fair Competition for the Nottingham Lace Curtain Industry in the United States, as submitted by the National Association of Lace Curtain Manufacturers, conducted in the small ballroom of the Raleigh Hotel in Washington, D.C., on September 22, 1933, in accordance with the provisions of the National Industrial Recovery Act.

The following papers are included and annexed:

1. The Code as finally proposed.
2. Notice of Hearings.
3. By-Laws of the National Association of Lace Curtain Manufacturers.
4. Statement of procedure.
5. List of witnesses.
6. Transcript of records.
7. Statistical analysis.
8. Report of Deputy.

In accordance with the customary procedure every person who had filed a request for an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

The Code which is attached was presented by duly qualified and authorized representatives of the Industry, complying with the statutory requirements, as representing 100% of the Industry.

POSITION OF THE INDUSTRY AND CODE PROVISIONS

The industry is of moderate size, employing upwards of three thousand (3,000) people, and doing an annual business ranging between five and ten million dollars. Skilled crafts are highly organized.

The code provides for a forty-hour week and a minimum of thirteen (\$13) dollars on a parity with other Textile Codes. There are only eleven firms in the field. The increase in employment is only estimated to be about 9 percent, as the industry had been working on a schedule of forty-eight hours and had been running fairly slack.

The code makes a number of provisions with respect to trade practices. Provisions governing reporting cannot be construed as anything more than open-trade provisions. While not completely unanimous, the industry as a whole has clearly expressed desire for these provisions.

The relationship between the operatives of Nottingham machines, known as weavers, and the workers, is fully covered by collective bargaining. It constitutes no part of this code. Auxiliary workers

are only unionized in part and there is considerable disparity with respect to their wages and condition of employment as between plants. Collective bargaining within each plant has not resulted in any uniformity throughout the industry. Their wage levels should in part respond to the provisions for "equitable readjustment of pay schedules."

Objection to this code as finally submitted is with respect to the omission of provisions governing wage rates in any greater detail rather than to any provisions contained.

FINDINGS

The Administrator finds that:

(a) This code complies in all respects with the pertinent provisions of Title I of the Act, including without limitation subsection (a) of Section 7 and subsection (b) of Section 10 thereof.

(b) The National Association of Lace Curtain Manufacturers to be truly representative of the Nottingham Lace and Lace Curtain Industry. The Bylaws of this association provide no inequitable restrictions to membership.

(c) The code is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

(d) The Advisory Boards did not raise objection to any of the material contained in the code, any differences of point of view being, as aforesaid, confined to the omission from the code of additional provisions which in fact are more properly covered by collective bargaining under contracts being put into effect concurrently with the code. The Legal Department has checked it as to form and has approved it.

I recommend that the code be approved.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION FOR THE NOTTINGHAM LACE CURTAIN INDUSTRY

PREAMBLE

To effectuate the policy of Title 1 of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Nottingham Lace Curtain Industry.

ARTICLE I—DEFINITIONS

The term "Nottingham Lace Curtain Industry" or "Industry" as used herein is defined to mean the manufacture of all articles, goods, and fabrics made in whole or in part of animal, vegetable, or mineral matter made on the Nottingham Lace Curtain Machine.

The term "employee" as used herein shall include all persons employed in the conduct of such operations.

The term "employer" as used herein, includes anyone for whom such an employee is so engaged.

The term "productive machinery" as used herein is defined to mean Nottingham Lace Curtain machines.

The term "Administrator" as used herein means the Administrator of the National Industrial Recovery Act.

ARTICLE II—WAGES

On and after the effective date, no employee, except learners during a six weeks' apprenticeship, shall be paid less than at the rate of \$13.00 per week for forty (40) hours of labor. Learners shall be paid not less than eighty (80) percent of the established minimum wage; no employer shall include within the category of learners more than five (5) percent of the total number of his employees.

There shall be an equitable readjustment of wage rates in the industry which will maintain the traditional relationship of weavers' rates to the wage rates for different classes of workers.

The foregoing provisions for a minimum wage established a guaranteed minimum rate of pay per hour of employment regardless of whether the employee's compensation is otherwise based on a time rate or upon a piecework performance.

ARTICLE III—HOURS

On and after the effective date, no employee, except repair-shop crews, engineers, electricians, firemen, office, supervisory staff (earning \$30 per week or over), and shipping, watching, and outside crews, shall work or be permitted to work in excess of forty (40) hours per week. Productive machinery in the Industry shall not be operated for more than two (2) shifts of forty (40) hours each per week.

On and after the effective date, the maximum hours of labor for office employees in the industry shall be an average of forty (40) hours a week over each period of six (6) weeks, but in no event shall exceed forty-eight (48) hours per week.

On and after the effective date, the maximum hours of labor of repair-shop crews, engineers, firemen, electricians, and watching crews in the industry shall, except in case of emergency work, be forty (40) hours a week with a tolerance of ten (10) percent. Any such emergency time shall be reported monthly to the Code Authority hereinafter provided for. One and one third ($1\frac{1}{3}$) times the normal rate shall be paid for all hours worked over 44 hours per week.

The foregoing provisions for maximum hours established a maximum of hours of labor per week for every employee covered, so that under no circumstances will such an employee be employed or permitted to work for one or more employers in the industry in the aggregate in excess of the prescribed number of hours in a single week.

The work done by lace-curtain weavers in the Industry shall be restricted to five (5) days per week, from Monday through Friday, including two (2) shifts of forty (40) hours each per week and eight (8) hours each per day. There shall be no making up of time lost through necessary repairs, holidays, or for any other reason, except as agreed between the Code Authority hereinafter provided for and representatives of the lace-curtain weavers.

ARTICLE IV—CHILD LABOR

On and after the effective date employers in the Nottingham Lace Curtain Industry shall not employ any minor under the age of sixteen (16) years.

ARTICLE V—REPORTS

1. With a view to keeping the President informed as to the observance or nonobservance of this Code of Fair Competition, each member of the Industry will furnish duly certified reports to the Code Authority hereinafter provided for. These reports shall contain such data as the Code Authority may require, subject to the approval of the Administrator, and shall be in such form as the Code Authority may prescribe. The reports furnished as aforementioned shall be deemed confidential and shall not be divulged except as part of general statistics for the Industry.

2. Every member of the Industry shall furnish to any government agency or agencies designated by the Administrator such statistical information as the Administrator may from time to time deem necessary for the purposes recited in Section 3 (a) of the National Recovery Act, and any reports and other information collected and compiled by the Code Authority shall be transmitted to such government agencies as the Administrator may direct.

ARTICLE VI—STRETCH OUTS

Until adoption of further provisions of this Code that may prove necessary to prevent any improper speeding up of work (stretch-

outs) no employee of any mill in the Nottingham Lace Curtain Industry shall be required to do any work in excess of the practices as to the class or work of such employee prevailing on July 1, 1933, or prior to the Share-the-Work Movement, unless such increase is submitted to and approved by the Code Authority provided for hereinafter and by the National Recovery Administration.

ARTICLE VII—OPEN PRICE PROVISIONS

Within thirty days after the effective date of this Code every manufacturer in the Industry shall file with the Code Authority hereinafter provided for, or its agent, a list of his prices which shall become effective immediately.

Before deviations below these prices may be made, the manufacturer must file a new price list embracing such changes, which shall not be effective until seven (7) days after date on which such list was received by the above Code Authority or its agent, except that changes made to meet any competitor's reductions may be made effective on or at any time after the date such competitor's reductions become effective.

ARTICLE VIII—TRADE PRACTICES

The following principles are set forth for the guidance and betterment of the Industry and their violation shall be a violation of this Code of Fair Competition:

1. *Deliveries.*—All goods shall be sold on the basis of F.O.B. mill. Deliveries may be made free of charge to common carriers and to customers located in the city where the mill is situated. This permits the sale from warehouses where the freight from mill to warehouse and warehouse charges are included in the price.

2. *Terms.*—Terms of sale of regular goods shall be cash discount two (2) percent (10) days, sixty (60) days, dating strictly from date of shipment.

Terms of sale of dropped stock, including damages, seconds, and dropped samples, shall be net ten (10) days, dating strictly from date of shipment.

It shall not be permissible to allow the deduction of the cash discount and the addition of interest for any time taken beyond the due date of invoice.

Anticipation for the number of days invoices are prepaid may be allowed at the rate of six (6) percent per annum.

3. *Consignments.*—No goods shall be shipped on consignment or memorandum, or prearrangement made for the return of unsold stock.

4. *Advertising Allowances.*—Advertising allowances and rebates are unfair trade practices and must not be granted, with the exception of such advertising allowances as are approved in advance by the Code Authority.

5. *Piracy.*—Patterns of one manufacturer shall not knowingly be copied by another manufacturer.

New fabrics produced by one manufacturer may be registered with the Code Authority and shall not be copied by another manufacturer for a period of one year.

All piracy disputes shall be settled by a Piracy Committee to be appointed by the Code Authority. There shall be the privilege of appeal to the Code Authority from decisions of the Piracy Committee, but the decisions of the Code Authority shall be final, subject to appeal to the Administrator.

6. *Sample Requirements.*—A committee appointed by the Code Authority shall decide on a scale of prices to be charged for samples and materials used for sample purposes. Any such samples and materials supplied to any customer shall be charged at the approved scale.

7. *Dropped Stock or Discontinued Patterns.*—Dropped stock or discontinued patterns shall be sold and/or delivered only in the months of May, June, November, and December, except when sold at regular current prices. It shall be considered an unfair trade practice to manufacture overruns or excess stocks for the purpose of selling as special merchandise or dropped stock.

Seconds, damages, and dropped samples may be sold at any time.

8. *Price Guarantee.*—There shall be no guarantee of price to any dealer, whether a retailer, wholesaler, mail order or chain store or syndicate.

9. *Secret Rebates, etc.*—Rendering over-valued or under-valued invoices, secret payment of any allowances, or price discrimination between acceptable purchasers of like class and kind and under the same conditions, shall be considered an unfair trade practice.

10. *Memorandum Orders.*—Memorandum or unconfirmed order shall not be considered as orders until confirmed.

11. *Merchandise, Misbranding.*—Misrepresentation as to the weight, quantity, quality, size, or grade of any product sold, or offered for sale is an unfair trade practice.

12. *Sales Below Cost.*—No manufacturer of the products defined in Article 1 of this Code shall sell or exchange any of these products at a price or upon such terms or conditions that will result in the buyer paying for the goods received less than the cost to the seller, except to meet a competitor's filed price. This cost shall be determined in accordance with a uniform and standard method of costing to be developed by the Code Authority and approved by the Administrator.

ARTICLE IX—ADMINISTRATION

To further effectuate the policies of the Act, the Executive Committee of the National Association of Lace Curtain Manufacturers, the applicant herein, or such successor committee or committees as may hereafter be constituted by the action of the National Association of Lace Curtain Manufacturers, and up to three members without vote, appointed by the President of the United States, one of whom shall be a representative of the Curtain Section of the Chartered Society of Amalgamated Lace Operatives of America, is set up to cooperate with the Administrator as the Code Authority for the Nottingham Lace Curtain Industry.

The Code Authority may from time to time present to the Administrator recommendations based on conditions in the Industry as they may develop which will tend to effectuate the operations of the provisions of this Code and the policy of the National Industrial Re-

covery Act. Such recommendations, when approved by the Administrator shall have the same force and effect as any other provisions of this Code.

The Code Authority is also set up to cooperate with the Administrator in making investigations as to the functioning and observance of any of the provisions of this Code, at its own instance or on complaint by any person affected, and to report the same to the Administrator.

The Code Authority is also set up for the purpose of investigating and informing the Administrator on behalf of the Nottingham Lace Curtain Industry as to the importation of competitive articles into the United States in substantial quantities or increasing ratio to domestic production on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this Code and as an agency for making complaint to the President on behalf of the Nottingham Lace Curtain Industry, under the provisions of the National Industrial Recovery Act with respect thereto.

ARTICLE X—EXCEPTIONS

This Code shall be in operation on and after the effective date as to the whole Nottingham Lace Curtain Industry, except as an exemption from or a stay of the application of its provisions may be granted by the Administrator to a person applying for the same or except as provided in an executive order. No distinction shall be made in such exceptions between persons who have and have not joined in applying for the approval of this Code.

ARTICLE XI—GENERAL PROVISIONS

No provision in this Code shall be permitted to operate in such manner as to promote monopolies or monopolistic practices or to eliminate or oppress small enterprises or to discriminate against them.

Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from all interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in the self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President of the United States.

Within each State, members of the Industry shall comply with any State laws, imposing more stringent requirements regulating licensing, the age, wages, or hours of labor of employees, than under this Code.

Where the costs of executing contracts entered into the Nottingham Lace Curtain Industry prior to the presentation to Congress of the

National Industrial Recovery Act are increased by the application of the provisions of that Act to the Industry, it is equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceedings or otherwise, and the National Association of Lace Curtain Manufacturers, the applicant for this Code, is constituted an agency to assist in effecting such adjustments.

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule or regulation, issued under Title 1 of the said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions of this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title 1 of the National Industrial Recovery Act consistent with the provisions hereof.

ARTICLE XII—EFFECTIVE DATE

The effective date of this Code shall be the second Monday after its approval by the President of the United States.